

**2007 ANNUAL REPORT  
TO THE  
UTAH DIVISION OF OIL, GAS AND MINING**

**BANNING LOADOUT  
C/007/034**

Canyon Fuel Company, LLC  
P.O. Box 1029  
Wellington, UT 84542

File in:

☐ Confidential

☒ Shelf

☐ Expandable

Refer to Record No. 0004 Date 05232008  
In C/0070034, 2008, incoming  
For additional information

To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the **tab** key to move from one field to the next. To select a check box, click in the box or type an x.

## GENERAL INFORMATION

|  |  |
|--|--|
| Permitte Name                              | CANYON FUEL COMPANY, LLC                     |
| Mine Name                                  | BANNING LOADOUT                              |
| Operator Name<br>(If other then permittee) |  |
| Permit Expiration Date                     | October 24, 2008                             |
| Permit Number                              | C/007/034                                    |
| Authorized Representative Title            | Erwin Sass, General Manager                  |
| Phone Number                               | (435) 637-6360                               |
| Fax Number                                 | (435) 636-2897                               |
| E-mail Address                             | esass@archcoal.com                           |
| Mailing Address                            | PO Box 1029, Wellington, Utah 84542          |
| Designated Representative                  |  |
| Resident Agent                             | C.T. Corporation Systems                     |
| Resident Agent Mailing Address             | 50 West Broadway, Salt Lake City, Utah 84104 |
| Number of Binders Submitted                | (1) Binder, Two Copies                       |

## IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

| Permit Type           | ID Number   | Description                  | Expiration Date |
|-----------------------|-------------|------------------------------|-----------------|
| MSHA Mine ID(s)       | 42-01756    |                              | N/A             |
| MSHA Impoundment(s)   | N/A         |                              |                 |
| NPDES/UPDES Permit(s) | UT 040011   | UPDES Discharge Permit       | April 30, 2013  |
| PSD Permit(s) (Air)   | DAQE-334-94 | Air Quality Permit           | N/A             |
| <b>Other</b>          |             |                              |                 |
| Storm Water Permit    | UTR000572   | Storm Water Discharge Permit | N/A             |
|                       |             |                              |                 |
|                       |             |                              |                 |
|                       |             |                              |                 |

File in:

☐ Confidential  
☒ Shelf  
☐ Expandable

Refer to Record No. 0004 Date 05/23/2008  
 In C/007/034 2008 Incoming  
 For additional information

**CERTIFIED REPORTS**

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

| Certified Reports: | Required                 |                          | Included or on file with DOGM |                          | Comments |
|--------------------|--------------------------|--------------------------|-------------------------------|--------------------------|----------|
|                    | Yes                      | No                       | Included                      | On File                  |          |
| Excess Spoil Piles | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |          |
| Refuse Piles       | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |          |
| Impoundments       | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |          |
| Other              | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/> |          |
|                    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/> |          |

**REPORTING OF OTHER TECHNICAL DATA**

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as Appendix B to this report or currently on file with the Division.

| Technical Data:   | Required                 |                          | Included or on file with DOGM |                          | Comments  |
|---|--------------------------|--------------------------|-------------------------------|--------------------------|---|
|   | Yes                      | No                       | Included                      | On file                  |   |
| Climatological  | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Subsidence Monitoring                                   | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Vegetation Monitoring                                   | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Raptor Survey   | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Soils Monitoring  | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Water Monitoring  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| First quarter   | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Second quarter  | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Third quarter   | X                        | <input type="checkbox"/> | <input type="checkbox"/>      | X                        | Sample taken either 3 <sup>rd</sup> or 4 <sup>th</sup> Quarters |
| Fourth quarter  | X                        | <input type="checkbox"/> | <input type="checkbox"/>      | X                        | Not Both.   |
| Geological / Geophysical                                | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Engineering   | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Non Coal Waste /<br>Abandoned Underground<br>Equipment* | <input type="checkbox"/> | X                        | <input type="checkbox"/>      | <input type="checkbox"/> |   |
| Other Data  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/> |   |
|   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/> |   |
|   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/> |   |
|   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/> |   |

\*Reminder: If equipment has been abandoned during 2007, an amendment must be submitted that includes a map showing its location, a description of what was abandoned, whether there were any hazardous or toxic materials and any revision to the PHC as necessary.

*Change in administration or corporate structure can often bring about necessary changes to information found in the mining and reclamation plan. The Division is Requesting that each permittee review and update the legal, financial, compliance and related information in the plan as part of the annual report. Please provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other change as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include certified financial statements, audits or worksheets, which may be required to meet bonding requirements. Specify whether the information is currently on file with the Division or included as Appendix C to the report.*

| Legal / Financial Update                          | Required                            |                                     | Included or on File with DOGM |                                     | Comments          |
|---|-------------------------------------|-------------------------------------|-------------------------------|-------------------------------------|-------------------|
|   | Yes                                 | No                                  | Included                      | On file                             |                   |
| Department of Commerce,<br>Annual Report Officers | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>      | <input type="checkbox"/>            |                   |
| <b>Other</b>                                      |                                     |                                     |                               |                                     |                   |
| Officers & Directors                              | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>      | <input checked="" type="checkbox"/> | General Chapter 1 |
|   | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/>      | <input type="checkbox"/>            |                   |
|   | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/>      | <input type="checkbox"/>            |                   |

*Copies of mine maps, current and up-to-date through at least December 31, 2007, are to be provided to the Division as Appendix D to this report in accordance with the requirements of R 645-301-525.240. These map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Upon request, the Division shall keep mine maps confidential. Please provide a CD.*

[illegible]

**OTHER INFORMATION**

*Please provide any comments of further information to be included as part of the Annual Report. Any other attachments are to be provided as Appendix E to this report. If information is submitted as a group rather than by individual mine, please identify each of the mine's data in the list below.*

**Additional attachment to this report?**Yes ☐No **X**

**APPENDIX A**

**Certified Reports**

Excess Spoil Piles  
Refuse Piles  
Impoundments

As required under R645-301-514

**CONTENTS**

2007 Impoundment Report

| IMPOUNDMENT INSPECTION AND CERTIFIED REPORT  |  | Page 1 of 2   |          |
|--|--|---|----------|
| Permit Number  | C/007/034  | Report Date   | 08/02/07 |
| Mine Name  | Banning Loadout  |   |          |
| Company Name   | Canyon Fuel Company, LLC   |   |          |
| Impoundment Identification   | Impoundment Name   | Banning Loadout Sedimentation Pond                  |          |
|  | Impoundment Number   | None  |          |
|  | UPDES Permit Number  | UTG040011   |          |
|  | MSHA ID Number   | Impoundment -None (Loadout - 42-01756)              |          |
| <b>IMPOUNDMENT INSPECTION</b>  |  |   |          |
| Inspection Date  | 08/01/07   |   |          |
| Inspected By   | David G. Spillman  |   |          |
| Reason for Inspection<br>(Annual, Quarterly or Other Periodic Inspection, Critical Installation, or Completion of Construction)  |  | Routine Quarterly Inspection & Annual Certification |          |
| <b>1. Describe any appearance of any instability, structural weakness, or any other hazardous condition.</b><br><br><i>There were no signs of instability, structural weakness or other hazardous conditions observed during this inspection.</i>  |  |   |          |
| Required for an impoundment which functions as a SEDIMENTATION POND.   | <b>2. Sediment storage capacity, including elevation of 60% and 100% sediment storage volumes, and, estimated average elevation of existing sediment.</b><br><br><i>Sediment Storage Capacity - 100% = 0.27 acre-feet @ an elevation of 5,487.8 feet</i><br><i>- 60% = 0.16 acre-feet @ an elevation of 5,486.6 feet</i><br><i>The existing sediment level was observed to be well below the established sediment cleanout marker.</i> |   |          |
|  | <b>3. Principle and emergency spillway elevations.</b><br><i>Principal Spillway Elevation - 5,494.2 feet</i><br><i>Emergency Spillway Elevation - 5,495.1 feet</i>   |   |          |
| <b>4. Field Information.</b> Provide current water elevation, whether pond is discharging, type and number of samples taken, monitoring/instrumentation information, inlet/outlet conditions, or other related activities associated with the pond including but not limited to sediment cleanout, pond decanting, embankment erosion/repairs, monitoring information, vegetation on outslopes of embankments, etc.<br><br><i>At the time of the inspection the pond was dry.</i><br><br><i>To date, there has been no discharge from this pond.</i> |  |   |          |

# IMPOUNDMENT INSPECTION AND CERTIFIED REPORT

Page 2 of 2

5. **Field Evaluation.** Describe any changes in the geometry of the impounding structure, average and maximum depths and elevations of impounded water, estimated sediment or slurry volume and remaining storage capacity, estimated volume of water impounded, and any other aspect of the impounding structure affecting its stability or function which has occurred during the reporting period.

## Qualification Statement

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized under the direction of a Registered Professional Engineer to inspect the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## CERTIFIED REPORT

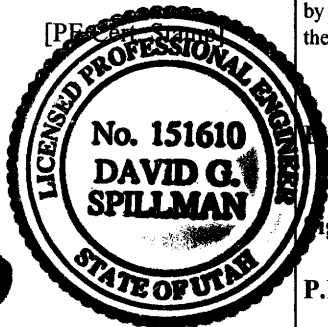
### IMPOUNDMENT EVALUATION (If NO, explain under Comments)

|  | YES | NO |
|--|-----|----|
| Is impoundment designed and constructed in accordance with the approved plan?  | X   |    |
| 2. Is impoundment free of instability, structural weakness, or any other hazardous condition?                                  | X   |    |
| 3. Has the impoundment met all applicable performance standards and effluent limitations from the previous date of inspection? | X   |    |

## COMMENTS AND OTHER INFORMATION

## Certification Statement:

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meet or exceed the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself or under my direction and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability in accordance with the Utah R645 Coal Mining Rules.



By: David G. Spillman, Technical Services Manager  
(Full Name and Title)

Signature: David G. Spillman Date: 08/02/07

P.E. Number & State: No. 151610, State of Utah



**APPENDIX B**

**Reporting of Technical Data**

Including monitoring data, reports, maps, and other information  
As required under the approved plan or as required by the Division

In accordance with the requirement of R645-310-130 and R645-301-140

**CONTENTS**

Not Applicable

**APPENDIX C**

**Legal Financial, Compliance and Related Information**

Annual Report of Officers  
As submitted to the Utah Department of Commerce

Other change in ownership and control information  
As required under R645-301-110

**CONTENTS**

REFER TO THE GENERAL CHAPTER ONE

**APPENDIX D**

**Mine Maps**

As required under R645-302-525-270

**CONTENTS**

Not Applicable

**APPENDIX E**

**Other Information**

In accordance with the requirements of R645-301 and R645-302

**CONTENTS**

Not Applicable